

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

JAN 3 1 2005

LIV OF OIL GAS & MINING

2/28/05

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8. Utah code Annotated 1953, as amended, and the General Rules as promulgated under the utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must fle an annual operations and progress report (FORM MR-AR) with the Division.

I.	<u>Gene</u>	ral Information						
	1.	Report Time Period: From (mo,/	vr.) 1/9	4 To (mo./yr.)	12/04			
	2.	DOGM File Number (Mine No):	S 45003	2				
	3.	Mine Name: Allen #4 Alle	n Claims (Too					
	4.	Mineral(s) Mined (or permitted to mi	ne): V	onder Stone				
	5.	Type of mine: Sur	face Mine	or Und	erground Mine			
	6.							
		1/4, 1/4,	1/4, Sec	ion 24 , To	wnship 8	S , Range	_ 5 W	
		1/4, 1/4,	1/4, Sec	ion, To	wnship	, Range	4	
		1/4, 1/4,	1/4, Sec	ion, To	wnship	, Range		
	7.	Name of Operator or Company:	A & R	Leasing LLC		1 1		
	8.	Permanent Street Address:	688 E.					
		City, State, Zip:	Veyo,	Veyo, UT 84782-4141				
		Phone: 435-5	574-9300	Fax:	435-574-93	333		
	9.							
		Name: Russ	ell C. Feller					
		Title: Man	nging Member	52 W. Re. *				
		Business Address: 688 E. Chad Ranch Road						
		City, State, Zip:	2-4141	4141				
		Phone: 435-5	74-9300	Fax:	435-574-93	333	0	
		Please check if any of the above information has changed since previous year.						
Π.	Minir	ng and Reclamation						
	1.	Was there any mine related activity	y during the past	year? Yes	□ No			
	2.	If no - what was the last year of a	ctivity?	2003				
	3.	If yes - how much ore or mineral	was mined?					

	4.	Briefly describe the type of work performed, volume of material moved, and any new or							
		additional surface disturbances that occurr	ed during the past year.						
		None	y =						
				······································					
			S. Contracting Contracting Contracting						
	_								
	5.	How much additional acreage was disturb							
	6.	How much acreage was reclaimed during							
	7.		formed during the past year. This description						
		should include methods employed, and an	evaluation of the results.						
		None							
		I							
			Konk Inc.						
	8.	What is the <u>total</u> disturbed acreage of en							
	9.	mation plans for the upcoming year.							
NOT	E: Section	on III. "Additional Information" applies only	to large mining operations.						
III.	<u>Additi</u>	onal Information - R647-4-121.2 and .3							
	1.	. The operator shall include an updated map depicting surface disturbance and							
	reclamation performed during the year, prepared in accordance with Rule R647-4-105.								
	2.	The operator shall keep and maintain timel	y records relating to his performance under the						
	Act, and shall make these records available to the Division upon request.								
IV.	Signa	ure Requirement							
	I here	I hereby certify that the foregoing is true and correct.							
		Name (Typed or Print):	Russell C. Feller						
		Title of Operator:	Managing Member						
		Signature of Operator:	Musselle to						
		Date:	1/27/05						

jb

A & R LEASING 688 East Chad Ranch Road Veyo, Utah 84782-4141 435-574-9300 Phone 435-574-9333 Fax

RECEIVED
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DIV. OF OIL, GAS & MINING

5/027/026 5/027/027 5/045-/032* 5/053/019 5/053/023

January 26, 2005

STATE OF UTAH
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Re: Annual Report of Mining Operations

Dear Sirs:

Enclosed please find our annual report for the year 2004. You will note a change of ownership as to the following mines:

MINE NUMBER	MINE NAME
S270026	Black Jewell Project
S450032	Allen Claims Project
S270027	Black Hills

We are enclosing copies of the quitclaim deeds changing ownership to A & R Leasing. Please change your records to reflect this change.

As to "Brown Sandstone and Cobble/Sandstone", we have not operated these mines for many years if at all.

Thank you for your assistance in this matter.

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Janine West Administration